

WASHINGTON, D. C. 20505

Office of Legislative Counsel

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Mr. James M. Frey
Assistant Director for
Legislative Reference
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Frey:

I am writing in response to your request for comments on the proposed report of the Office of Management and Budget on H. R. 4620, a bill "To amend title 5, United States Code, to provide special allowances to certain physicians employed by the United States in order to enhance the recruitment and retention of such physicians."

The bill would provide for special incentive payments to Government physicians. Currently, the Department of Defense and the Veterans Administration, pursuant to Public Law 95-114 and Public Law 95-201 respectively, are authorized to make such payments to physicians until 30 September 1978. As you are aware from our previous correspondence on this topic, equitable treatment for its physicians is a goal of this Agency; and we strongly support the thrust of this legislation.

The proposed Office of Management and Budget report states that H. R. 4620 would cover physicians employed by the Central Intelligence Agency. As I read the bill, however, this is not the case. Subparagraph (A) of subsection 2(c)(1), which defines a "Government physician," relates to physicians paid under 5 U.S.C. 5332, which in turn refers to 5 U.S.C. 5102. 5 U.S.C. 5102 specifically states that the Central Intelligence Agency is not included within its scope. Subparagraphs (B) and (C) enumerate other agencies which would be covered by the bill but do not include this Agency. To correct this, I propose that subsection 2(c)(1)(C) of the bill be amended by:

deleting "or" and substituting "and" at page 4, line 20; and
adding "(v) the Central Intelligence Agency; and".

The proposed report also states that the Office of Management and Budget is currently studying the question of physician compensation and indicates that the best course for the House Committee on Post Office and Civil Service would be to delay action pending completion of that study. Department of Defense physicians, eligible for incentive payments since 1974, and Veterans Administration physicians, eligible since 1975, continue to be in a privileged position vis-a-vis other Government physicians. Further, at least for this Agency, recruitment of physicians is becoming increasingly difficult. For these reasons, this Agency continues to support action to establish pay equality as soon as possible.

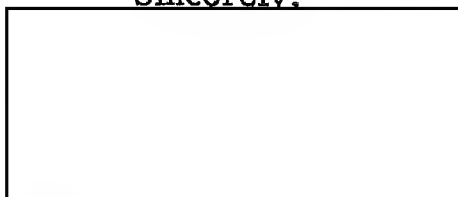
We would not object to making the authority to pay bonuses subject to periodic renewal. This would place the bonus program established by H.R. 4620 in the same position as the statutory programs that cover physicians in the Department of Defense and the Veterans Administration. In addition, the expiration dates would provide periodic opportunities for establishment of a comprehensive, Government-wide program.

In the proposed report it is suggested that the Committee modify the bill to provide that bonuses be paid only to categories of physicians for whom there is a demonstrable recruitment and retention problem. This Agency would have no objection to such a requirement. At the same time, however, we must object to that portion of subsection (b)(1) of the proposed section 5948 which would grant the Civil Service Commission the authority to prescribe regulations for the entering into of service agreements. The Secretary of Defense or the Secretary of Health, Education and Welfare, as appropriate, and the Administrator of the Veterans Administration have the authority to issue regulations governing the programs now operating, and this same power should be given to the heads of agencies authorized to grant bonuses by H.R. 4620. Uniformity could be obtained by including guidelines in the legislation, as was done in the law authorizing the Veterans Administration program. Likewise, we believe that, rather than Civil Service Commission audits as your report proposes, oversight should be accomplished through reports to the appropriate committees of Congress, as is required of the current programs.

This Agency also disagrees with the suggestion that the amount of a bonus to be paid in any one year should be completely discretionary. The existing programs for Department of Defense and Veterans Administration physicians call for a mandatory professional allowance based upon years of service and a discretionary service agreement allowance. In order to secure equal treatment for all Government physicians, H.R. 4620 is patterned after these programs; and we oppose any proposal which would frustrate that goal.

We would be happy to discuss these matters further at your convenience.

Sincerely,



Acting Legislative Counsel

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